



Missouri Department of Labor and Industrial Relations

Strategic Plan

2005 - 2009

Table of Contents

Vision, Mission and Values.....	1
Overview	2
Program Reform	3
Workers' Compensation	3
Unemployment Insurance	4
Managing for Performance.....	5
Customer Service:	
Secure Workforce	6
Protected Workforce.....	8
Safe Workforce.....	10
Department Accountability	11
Internal Management	12
Accountability, Budget & Personnel.....	12

Vision

Ensure Missouri has safe workplaces free from discrimination, an economically secure workforce and provide efficient services to those that do business with us.

Mission

The Missouri Department of Labor and Industrial Relations promotes economic security, safe and healthy workplaces as well as protects wage earners and individuals against discrimination by improving working conditions, enforcing labor and anti-discrimination laws and helping those unemployed, injured on the job or victims of crime.

Values

The Department of Labor and Industrial Relations believes in the following principles to accomplish its vision and mission:

- **Leader** - Be the front-runner in administering state and federal laws regarding employer and employee rights and responsibilities.
- **Partnerships** - Collaborate with federal, state and local partners and employees, other governmental agencies, communities and customers to provide the best environment for all who work in Missouri.
- **Accountability** - Streamline programs and services to provide Missourians with exceptional service in the most cost-efficient manner.
- **Inventiveness** - Provide the most innovative, creative and efficient services to Missouri citizens.

Overview

On Monday, January 10, 2005, Matt Blunt took the oath of office to become the 54th Governor of Missouri. Elected on a platform of change, Governor Blunt promised to lead Missouri in a new direction. In his Inaugural Address, he stated that Missourians deserve a government that promises no more than it can deliver and delivers everything it promises. Further, Governor Blunt said that his administration would be bold, willing to experiment and would not fear failure.

In implementing his plan to chart a new course, the Missouri Department of Labor and Industrial Relations has created a new strategic plan to increase responsiveness, restore accountability and reduce the cost and size of state government. By using technology and implementing better management practices, state government can improve customer service and lower actual costs. Missouri government must implement business oriented solutions whenever possible.

This strategic plan focuses on securing and implementing program reform; establishing and monitoring the achievement of specific performance objectives; and creating and improving internal management processes.

Program Reform

Workers' Compensation

In recent years, workers' compensation insurance premiums have increased substantially. Although workers' compensation issues have negatively impacted many states, Missouri has been faring worse than most others. It is important to note that Missouri's high premiums are not the result of an increase in workplace injuries. In fact, between 1992 and 2000, workplace injuries in Missouri declined by 50 percent.

Many of Missouri's problems are caused by the manner in which Missouri's workers' compensation statutes are written and interpreted. In addition, there is a need to reduce fraud and abuse of the workers' compensation system. Moreover, employers should not be required to pay claims when accidents happen because of alcohol or illegal drugs. Finally, as in any judicial or administrative proceeding, judges must maintain neutrality.

GOAL: Protect employers from fraudulent and questionable claims while, at the same time, preserve the integrity of the system so that the rights of injured workers are protected.

Key Measures of Success

- ❑ Decrease workers' compensation premium costs.
- ❑ Increase the number of noncompliant and fraudulent workers' compensation cases referred for prosecution.

Key Strategies to Implement

- Secure statutory reforms that help reduce the number of fraudulent claims and guard the rights of injured workers with legitimate claims.
- Develop and implement performance standards for Administrative Law Judges.
- Follow the workers' compensation statutes as written to ensure all parties are treated fairly and judges remain neutral.
- Identify methods to increase the amount of fraudulent workers' compensation cases referred.

Unemployment Insurance

The Unemployment Compensation Trust Fund (UCTF) has been insolvent for nearly three years. During 2003 and 2004, the Missouri Division of Employment Security borrowed approximately \$288 million from the United States Treasury in order to pay unemployment insurance benefits to eligible claimants. The borrowed money is subject to interest charges and cannot be paid by regular employer contributions. A long-term solvency plan is needed to ensure the fund is stable to pay benefits without borrowing.

In addition to the solvency issue, there is a need to reduce fraud and abuse of the unemployment insurance program. Benefit determinations should be properly made to avoid inaccurate payments. Furthermore, employers should not be responsible for paying benefits to an employee fired for having alcohol or illegal drugs in their system while on the job.

GOAL: Protect the Unemployment Compensation Trust Fund from inappropriate payments and abuse, and ensure the financial solvency issues of the Fund are addressed.

Key Measures of Success

- ❑ Preserve unemployment compensation tax credits for employers.
- ❑ Increase the number of fraudulent unemployment insurance cases referred for prosecution.
- ❑ Decrease the percentage of unemployment insurance claims improperly paid by the Division of Employment Security.
- ❑ Reduce the rate and number of those unemployed.

Key Strategies to Implement

- Secure statutory reforms that prevent benefits granted to employees dismissed for alcohol or drugs in their system while on the job.
- Work with federal and state leaders to address solvency of the fund and preserve tax credits for employers.
- Enhance cooperation and participation with federal, state and local officials to increase activity on fraud referrals.
- Ensure unemployment insurance claimants are completing work search requirements.

Managing for Performance

As part of the Governor's Managing for Performance initiative, the Department has moved forward to establish concrete, measurable performance goals.

Governor Matt Blunt has directed state cabinet directors to implement management strategies focused on results and create an environment where results matter. The Governor will hold the Department accountable for its performance. Under his directive, the Department has identified goals that are aimed at achieving real and valuable results in the areas of customer service, personnel and budget.

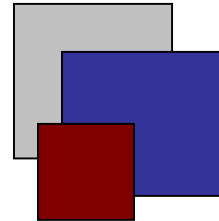
The performance measures selected will assist the Department in determining whether customer needs are met. Successful measurements will lead to increased customer service and quality of service for Missourians.

The Department will continue to work to become more efficient doing more with less, providing the most convenient services to its customers and using technology where possible.

Customer Service: Secure Workforce

All Missourians should have the opportunity to work to their fullest potential for the benefit of themselves and their families. The Department helps increase the economic security of Missouri's working families by providing for the payment of compensation to individuals who are unemployed, injured or victims of crime.

GOAL: Promote the economic security of workers and their families.



Key Measures of Success

- ❑ 91.3% of unemployment insurance intrastate first payments made within 14 days of compensable week
- ❑ 80% of unemployment insurance nonmonetary decisions on separation issues within 21 days
- ❑ 60% of unemployment insurance appeals to the Appeals Tribunal issued within 30 days
- ❑ 90% of unemployment insurance decisions made by the Appeals Tribunal are affirmed by the Labor and Industrial Relations Commission
- ❑ 50% of unemployment insurance to the Labor and Industrial Relations Commission issued within 45 days
- ❑ 70% of unemployment insurance claimants reemployed within the quarter following their first payment
- ❑ 75% of workers' compensation, crime victims claims processed within 45 days
- ❑ 80% of workers' compensation decisions by Administrative Law Judges issued within 75 days
- ❑ 75% of workers' compensation appeals related to awards issued by the Labor and Industrial Relations Commission within 180 days

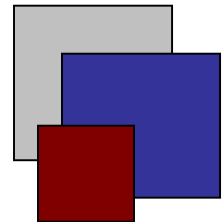
Key Strategies for Improvement

- Review late first payments quarterly to identify reasons for untimely payments.
- Implement electronic folders for scanning documents upon submission.
- Implement the O*NET-SOC Autocoder to improve the work search registration process.
- Facilitate better data sharing and cooperation for job placement with the Division of Workforce Development.
- Reduce the processing time for workers' compensation transcripts to be completed.
- Monitor performance of administrative law judges to ensure workers' compensation awards are issued within established time frames.

Customer Service: Protected Workforce

The Department has a responsibility to ensure certain employees are compensated fairly and that all Missourians have the opportunity to work in an environment free of discrimination. The key to ensuring worker protections is to quickly resolve complaints, ensure accuracy in certain wage rates and assist Missouri's business owners with state regulations. In addition, the Department is responsible for managing funds that assist workers that have lost their job due to no fault of their own or that are injured on the job.

GOAL: Protect wage earners, individuals and business owners through labor and anti-discrimination laws.



Measures of Success

- ❑ 80% of unemployment insurance determinations about unemployment insurance tax liability of new employers made within 90 days
- ❑ 59% of unemployment insurance overpayments will be established for recovery
- ❑ 20% increase in the number of fraudulent/noncompliance cases referred for prosecution in unemployment and workers' compensation cases
- ❑ 75% of workers' compensation, fraud and noncompliance cases processed within 120 days
- ❑ 90% of workers' compensation first reports of injury filed by insurers/self insured employers within 30 days of injury
- ❑ 75% of labor standards investigations on compliant cases involving prevailing wage closed within an average of 120 days
- ❑ 60% of human rights investigations involving housing completed within 100 days of complaint receipt
- ❑ 90% of human rights investigations involving housing concluded through conciliation within 100 days of complaint received
- ❑ 75% of human rights charges involving employment and public accommodations resolved within 180 days
- ❑ 15% of respondents in human rights cases involving employment and public accommodation participates in early resolution
- ❑ 90% of public bargaining unit elections conducted within 120 days

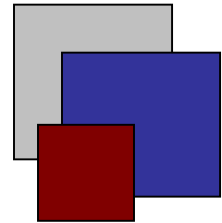
Key Strategies for Improvement

- Implement new suspended report procedures for all reports and registration forms showing employer liability.
- Increase the number of employer inquiries to determine potential unemployment insurance overpayments.
- Restructure the workers' compensation fraud and noncompliance unit to dedicate more personnel to work full-time on investigating allegations of fraud and noncompliance.
- Monitor timeliness of First Reports of Injury being filed and notify insurance carriers and self-insured employers who are consistently delinquent in reporting workplace injuries.
- Work with the Attorney General's office to reduce the amount of time it takes to review a non-penalty action prevailing wage case.
- Reduce the amount of time it takes to get a response from respondents and complainants in housing cases.
- Work with the Attorney General's office to reduce the amount of time it takes to review a housing probable cause case.

Customer Service: Safe Workforce

Unsafe workplace practices endanger the health and safety of Missouri's workforce and can hinder the educational opportunities and development of working children. Employees and employers who are uninformed about safety regulations may cause increased accidents, illnesses and fatalities in the workplace.

GOAL: Assist employers with providing safe and healthy workplaces for its employees.



Key Measures of Success

- ❑ 90% of labor standards inspections involving mine and cave safety are made within 14 days
- ❑ 90% of safety and health initial consultation visits conducted in high hazard industries
- ❑ 80% of labor standards occupational safety and health written reports prepared and sent to employers within 14 days
- ❑ 5% increase in the number of workplace hazards identified and eliminated and the potential OSHA fines avoided by employers
- ❑ 90% of labor standards investigations on cases involving child labor completed within 120 days

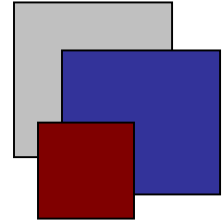
Key Strategies for Improvement

- Revise the mine/cave hazard verification process with businesses to expedite the inspections.
- Implement new work scheduling procedures to complete a written workplace safety report faster.
- Monitor safety and health consultant's report activity.
- Increase marketing strategies to encourage high hazard employers to utilize the Department's consultation services.
- Increase voluntary compliance through child labor education campaign.

Customer Service: Department Accountability

The Department should create an atmosphere where state employees increase their knowledge, skills and productivity. It should also be accountable to employers, taxpayers and citizens that utilize its services.

GOAL: Strengthen processes and procedures that benefit both internal and external stakeholders.



Key Measures of Success

- ❑ 100% of Employee Performance Management Plans and Employee Performance Management Summary Forms prepared within the established guidelines
- ❑ 100% of executives, managers and supervisors have met the Management Training Rule and DOLIR required training within the established time guidelines
- ❑ 100% of unemployment insurance contributions deposited within an average of 2 days
- ❑ 100% of unemployment insurance daily loanable balance transferred in 1 day
- ❑ 10% reduction in the number of workplace accidents and injuries by DOLIR employees

Key Strategies for Improvement

- Develop and implement revised employee performance plans to recognize results rather than time served.
- Review current procedures to implement changes to the performance management process.
- Schedule, track and monitor compliance as to training requirements
- Develop strategies to reduce internal workplace accidents and injuries.

Internal Management

Accountability, Budget & Personnel

The Department must conduct rigorous reviews of every government process with the idea of eliminating, simplifying and automating processes whenever possible. Through better management, the department can do a better job of meeting the business needs of our customers.

In an effort to increase accountability, the Department can keep Missourians better informed by expanding the use of the internet and improving its webpage. In addition, the Department should monitor and report performance outcomes on a regular basis. If the desired results are not achieved, the Department needs to take corrective action.

The Department should review functions that are not “core competencies” to determine if such can be done less expensively in the private sector. Outsourcing certain functions must be considered whenever it makes sense. In addition, functions, which are unrelated to the overall department mission, should be reviewed and considered for transfer to a more appropriate state agency thus resulting in cost savings to the government as a whole.

The Department should allow employee flextime options to fit their family or lifestyle needs while, at the same time, state employees must be available to meet customer needs through lengthened service hours. In addition, efforts must be made to cross-train employees that may result in eliminating unnecessary and duplicative internal processes.

Missouri state government has too much unused or under-utilized office space. Every effort needs to be made to fully utilize existing facilities and/or whenever possible merge department functions into a single location.

In an effort to eliminate duplication, Information Technology and telecommunications functions should be placed under the single authority. As a result of consolidation, the state should realize a greater cost savings and benefit to customers.

The Department needs to actively pursue grant opportunities made available by the federal government. This is especially true in the area of information

technology. It is important to ensure taxpayers that they are receiving their fair share of federal grant money.

GOAL: Improve internal management, restore accountability and reduce the cost and size of state government.

Key Measures of Success

- ❑ Reduce the amount of department expenditures.
- ❑ Reduce the total number of department employees.
- ❑ Reduce the total number of square feet of facility space.
- ❑ Increase the total amount of federal grant dollars received.
- ❑ Implement consolidation of program functions and activities.
- ❑ Implement process and procedures to report performance outcomes.
- ❑ Implement transfer of "non-core" activities to more appropriate state departments.

Key Strategies to Implement

- Review and implement cost saving measures.
- Consolidate all department offices into department or state owned buildings.
- Work more closely with the Office of Administration to combine facility and maintenance functions throughout the state to reduce costs.
- Consolidate, reduce or eliminate programs without affecting the level of service.
- Continue to apply for federal grants to help improve the efficiency and effectiveness of department programs and services.
- Implement, monitor and improve performance measures that indicate the level of service to customers and are focused on results.
- Conduct complete business analysis of the entire workers' compensation and unemployment insurance automation systems.
- Freeze purchase and evaluate use of taxpayer provided cell phones.
- Implement program evaluation function to review performance.
- Review printing, facilities maintenance and bulk mailing services to determine whether consolidation or outsourcing would be more cost effective.
- Continue to cross-train employees to maximize productivity.
- Redesign the Department website to better meet customer needs.
- Consolidate information technology services with the Office of Administration to eliminate duplicate services and reduce costs.